



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

The Catholic social year book for 1914. (London: Catholic Social Guild. 1914. 1s. 6d.)

The industrial unrest and the living wage. (London: King. 1913. Pp. 182. 2s.)

This volume contains addresses given at the United Summer School held during the summer of 1913 at Swanwick, Derbyshire, England, under the auspices of the Interdenominational Social Service Unions. Of special interest are "The Standard of Life," by Professor E. J. Urwick; "The Right to a Living Wage," by Professor L. T. Hobhouse; and a summary of unfavorable aspects of minimum wage legislation in Australasia, by Miss M. T. Rankin. The five addresses by clergymen are characterized by their emphasis upon the method of approach to social problems through appeal to the individual and by their insistence upon the supremacy of the spiritual and the relatively greater importance of the life beyond the grave. The book is valuable for its expression of varied points of view. The purpose for which the addresses were prepared prevented adequate treatment of a number of the topics.

PAUL L. VOGT.

Year book of the United States Brewers Association. (New York: The Association. 1914. Pp. xiv, 311.)

Insurance and Pensions

Social Insurance. With Special Reference to American Conditions. By I. M. RUBINOW. (New York: Henry Holt and Company. 1913. Pp. vii, 525. \$3.00.)

Mr. Rubinow has written a volume which is timely, large in range, and thoughtful. It "grew out of a course of fifteen lectures given at the New York School of Philanthropy in the spring of 1912," the supposed priority of which, however, as an American university course, is to be questioned. Three introductory chapters are followed by ampler discussions of insurance against industrial accidents, sickness, old age (with invalidity and death), and unemployment. The method in each part is to explain conditions and causes, then to examine foreign experience in mutual, voluntary, subsidized, and compulsory insurance institutions, arriving at a preference for the last type, and finally to show why or how the type needs to be set up in America. The book is not an impartial treatise; to write such it would be "futile to try"; it is a "bit of propaganda," yet persons whose premises are different will find only some discussions in the book vitiated.

Its clear excellence is in its actuarial discussions. There Mr. Rubinow is on professional ground. He sets forth his arguments with unusual lucidity and simplicity. His grasp is revealed both

in his criticisms and in his constructive recommendations. Another valuable trait is a ready comparison of significant features of the many social insurance institutions of various countries.

The chapters on employer's liability, on the elements of a normal compensation law, and on the organization of accident insurance are compact and forceful. Less acceptable are those on conditions and causes. For example, one naïve conclusion (ch. 5), supported by a table of injury rates of different industries, is that accidents (= uncaused events?) do not exist! This irrelevant statement is luckily forgotten in ensuing discussions of unavoidable hazard. Increase in number of accidents credited to inattention "spells one word, 'speed'"; presently also, fatigue, which is partly different. The high Monday rate of accidents in European statistics Mr. Rubinow prefers not to explain by Sunday indulgences, but by changes of occupation. Must not a more regular cause be sought? Germans say much of the resumptive operations of Monday. Mr. Rubinow is with those who believe that wage rates make no account of danger in an occupation. It has never, he says, "been statistically established that there is any correspondence between the comparative risk of an occupation and its remuneration, such as there undoubtedly is between remuneration and skill" (p. 100; cf. also p. 132). But can statistics be refined to isolate the danger factor? To concede that most men prefer the less dangerous tasks, other things equal, is to concede that danger makes a difference. If there were no risk, would wages be so high? Such a force as immigration may make for low wages in mining, while danger, less potently, may make for higher wages.

It is a clear history and an acute criticism of American compensation laws that Mr. Rubinow gives. To one point, since it is raised, exception may be taken. The American movement is dated from the Bureau of Labor description of German social insurance, in 1893. That is, "government institutions, and not the academic economists, who were deep in economic theory" (p. 156) began it. But Professor Taussig published his translation of the same laws in 1887.

Mr. Rubinow's chapters on sickness reveal again his strength and his weakness. He characteristically says little of personal causes and much about the responsibility of society. Partly one may agree, partly disagree. He believes, for example, that canning and cold storage deteriorate the food supply (p. 208). Does he appreciate that they have given to winter diet a scope and variety

not known before? Machinery, he thinks, displaces skilled workmen by unskilled (p. 210). Apart, however, from devices to utilize the unskilled immigrant influx, it is far from clear that the tendency is stronger than its opposite. The sexual life is disturbed by late marriages; these are due largely to "the growing inadequacy of wages," in which the factors are rising prices and rising standard of life (p. 211). Ignorance disposes to disease, but education is a social function (p. 213). Of the human or individual factor little is left. The state clearly may go wrong, but the individual's mis-expenditures and indulgences only reveal him to be a victim of the state. The state, as it happens, is—all of us. And if all of us are to blame—but that is anticipating! That "the problem of sickness relief and of sickness is a national and not an individual problem," is bluntly stated (p. 245).

In these chapters again, the analysis of institutions is in the main good. Some errors of fact deserve note. The British friendly societies may not discriminate against applicants by reason of advanced age (p. 255). Sick-insurance of domestic servants in Germany, though accepted in the law, has met difficulties in enforcement (p. 256). Salaried administrative employees earning 2,500 marks, not 2,000, are excluded in Germany (p. 257). The Swiss law is held to be original in providing for non-occupational accidents (p. 266). But the German, French, and English invalidity provisions likewise dealt with the consequences of these. It is not the case that in Germany all benefits for industrial accidents are paid by the sick-funds for thirteen weeks; from the fifth to the thirteenth week, the mutual associations pay part, and where the workman is not in a sick-fund (a common thing in the past) the employer pays all (p. 267, cf. 268).

Old age, like sickness, is held to be a social problem. Mr. Rubinow is not anxious that workmen should save. Where others see education and discipline in thrift, he is led to speak of the "depressing effect of the saving habit upon the standard of life" (p. 313), and elsewhere he discountenances the practice. As he believes in compulsory sickness insurance, so he believes in compulsory old-age insurance. Why? Workmen are destitute in old age. So much is simple, but might mean only a demand for humanitarian charity. "Service," length of productive activity is another reason (p. 386). But then classes above wage-earners should be included. Elsewhere, however, the Austrian law of 1906

providing pensions for salaried employees is almost passed over as "outside social insurance" (p. 346). Or, workmen are "unable or unwilling" to act of themselves. But these alternatives, upon which the character of legal provisions must depend, Mr. Rubinow does not separate. If workmen earning \$6 a day are unable, are those also who earn \$8, \$10, \$15? If the scheme is to be subsidized, in what ratio? Mr. Rubinow does not make clear; ideally, we may suppose, the social causes of old age should measure the social burden. Sometimes the language of "deferred wages" is used, but it throws little light on the attempt to relate cause and burden. In the United States, Mr. Rubinow thinks the opportunity for old-age pensions will come with the inevitable decline of the war-pension appropriations.

Unemployment has been well handled in English books. Mr. Rubinow's chapters cite liberally from Beveridge, and also from the admirable monograph of Gibbon (who is uniformly miscited as J. G. Gibbon). How far, and on what basis insurance should be subsidized are again questions obscurely handled. An echo of earlier chapters is in the position that unemployment is not, or is only slightly, figured in wages (p. 452). As a matter of fact, where the entire social insurance burden is equivalent to only a slight percentage of wages, and where wages vary greatly, who shall say that it is not contained in the rate of wages established by competition?

The material in the final chapter of the book, *The Social Import of Social Insurance*, is vital, but insufficient and inconclusive. The vexed question of the basis of the state's subsidy gets a partial answer: it is a substitute for earnings inequitably withheld under the capitalistic system (p. 481). We are still not told what should be the basis of the workman's share. Social insurance gives relief in destitution (p. 481). So do charity and the poor law. But the purpose of these is "to grant the necessary minimum for a physiological existence, and that only." Would modern charitable institutions accept this formulation? Yet it is contrasted with the "ideal purpose" of social insurance, which is constructive interference, prevention, and not even with actual insurance, which the author admits to be often as inadequate as poor relief. I confess to not seeing why, with Mr. Rubinow's argument, the best arrangement would not be a kind of glorified destitution relief system, much simpler than insurance, dealing with all the social causes of destitution. Relief has been degrading, he urges. It is not

essentially so, and need be no more so than the community desires.

The final chapter briefly answers the Friedensburg attack upon insurance, but does nothing with the much abler presentation by Bernhard (p. 495). The latter has created a much greater stir in Germany than Friedensburg. The question of the influence of the insurance system on the family is rather summarily dismissed. So also is the question of a state machine as instrument of the servile state, against which in late times opposition has been so extensively spreading in England. The incidence of the financial burden of insurance is not clear.

I hope this emphasis upon shortcomings may not obscure the impression that Mr. Rubinow's virtues make his work decidedly useful. With his recommendations I am in frequent accord. But his eagerness to support them, his candidly admitted bias, must check acceptance of them by many. Finally, in the absence of a pure-advertising law, Mr. Rubinow's publishers deserve a word of censure for advertising as "treated exhaustively and authoritatively for the first time in English" the various topics of the book. There exist ampler and good discussions of many subjects that seek impartiality where Mr. Rubinow—not perhaps to his discredit—confesses to pleading.

ROBERT F. FOERSTER.

Harvard University.

Die Reichsarbeitslosenversicherung. By KARL KUMPMANN. (Tübingen: J. C. B. Mohr. 1913. Pp. viii, 150. 3 M.)

The author of this interesting study disavows any intention of attempting to solve the difficult questions connected with unemployment insurance. He endeavors to bring together views of what has been done and to discuss the arguments for and against the plans which have been pursued. He recognizes the difficulty of applying the insurance principle to unemployment on account of the incalculable factors which enter into the risk. The four divisions of the book deal respectively with the problem of unemployment, the control of unemployment, unemployment insurance, and the necessity of government unemployment insurance.

The causes of unemployment are considered as either subjective or objective. The former includes such cases as inability to work and unwillingness to work; the latter, inability to find work and absence of work. The author admits there is great difficulty in distinguishing these two causes in particular cases, but holds that